



MINUTES
Economic Development Authority
May 21, 2019

CALL TO ORDER

The Economic Development Authority meeting was called to order at 5:30 pm.

Present: Chair: Jahn Dyvik; Vice Chair: Lori Goodsell; Board: Tim Hultmann, Michelle Jerde, Tom Skjaret, Deirdre Kvale, and Charlie Miner

Staff Present: City Administrator/Executive Director: Scott Weske; City Clerk: Jeanette Moeller

Absent: None

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Board member Jerde, seconded by Board member Skjaret, to approve the agenda. Ayes: all.

CONSENT AGENDA

A. Approve Minutes of April 16, 2019 EDA Meeting

A motion was made by Board member Miner, seconded by Board member Goodsell, to approve the minutes of the April 16, 2019 EDA meeting. Ayes: all.

OPEN CORRESPONDENCE

Dan Crear, 545 Virginia Avenue and 2045 Wayzata Boulevard W – Mr. Crear thanked the EDA for the progress he has seen on consideration of Virginia Avenue and noted that he is excited to see what is coming next.

BUSINESS ITEMS

Updates Regarding City-Owned Properties Located at 1905 Wayzata Boulevard W and on Virginia Avenue

Executive Director Weske gave a brief summary of the tentative schedule for demolition of structures and lot preparations at 1905 Wayzata Boulevard W. He stated that the City is working with the Minnehaha Creek Watershed District and WSB to make sure all the silt fencing, erosion control measures, and permitting is in place. Inside the building, he stated that the plan is to remove the hoist and the separators and clean up the area, but noted that all plans are subject to change if contaminated soils are found.

Chair Dyvik asked what WSB is doing for this project.

Weske indicated their involvement was minimal, but they are working with the Minnehaha Creek Watershed District on obtaining the correct permits and calculations for the project.

Chair Dyvik asked if the City had contacted Chris Loch from Carlson McCain.

Weske stated that he had not contacted Mr. Loch because WSB has their own environmental department that could do the same things that Mr. Loch could do. He indicated that as the removal project begins, he believes the City will need to have someone on site whether it be Mr. Loch or someone from WSB because if something is found and contaminated soils are uncovered, direction will be needed on immediate action required.

Chair Dyvik commented that he agreed and recognized there will need to be "real time" decisions made on the site. He asked if it would make sense to send the preliminary information to both WSB and Mr. Loch to get two different perspectives of what will be needed on the site.

Weske stated that Titlemark had given a quote of \$1,900/day to be on site and he feels WSB can do the same work for less money.

Board member Goodsell stated that she liked Mr. Loch because he didn't sound like he was overselling and over consulting.

Chair Dyvik stated that he agreed and asked Weske to contact him and send him the same information that he is planning to share with WSB.

Board member Skjaret asked if the EDA wanted to put a "not to exceed" amount and direct City staff to proceed if, once they are on the site, it can be more fully cleaned up.

Chair Dyvik stated that he thinks that has already been done.

Weske noted that he thinks there is already some wiggle room in where the bids came in and the "not to exceed" amount approved for the overall demolition and cleanup project.

Board member Skjaret commented that if it is cheaper to do all the cleanup immediately rather than going through the whole permitting process again, he would like to see some guidance given.

Weske asked whether the EDA wanted some of the site seeded after the soil was compacted or what their plan was for the temporary state of the site.

The EDA discussed the idea of paving the lot or putting down class 5 and seeding the lot. The EDA decided that if the class 5 was put down with grass seed, it would still be able to serve as an overflow parking area because of the class 5 material.

Board member Kvale asked how long the asbestos testing results would take to come in.

Weske stated that he was told they would take a week, so they should be coming in sometime this week.

Board member Skjaret asked if the EDA would allow him to contact Mr. Loch at Carlson McCain and ask how much he would charge to be on-site, since the quote given to Weske was \$1,900.

Weske advised that he does not think the City will gain much return for the scrap metal on the site. He stated that he may be too optimistic, but he is hoping that the site will be cleaned up and looking completely different by the Fourth of July holiday.

Board member Skjaret noted that there is still interest from a few parties in developing the property. He asked who owned the signal/switch box on the corner and suggested that perhaps it could be cleaned up as well and the appearance improved with a decorative decal. He stated that it costs about \$115/square foot, and indicated that he will gather some more information for the EDA or the landscape committee to consider.

Board member Miner stated that he thinks it would be a good idea to get some input from the community on what they would like to see happen at this site.

The EDA agreed that getting some input from the community would be a good idea if there is a way to do it without putting too much work on staff.

Weske stated that he thinks it could be done via Survey Monkey. He suggested that people send him an e-mail with their suggestions for questions to be included in the survey.

Chair Dyvik suggested moving on to discuss Virginia Avenue.

Weske stated that there have been a few developers expressing interest in the property. He noted that all but one homeowner of the adjacent residential houses has indicated they are interested in selling. He pointed out that in member meeting packets, he had included the websites of the two most recent developers that have expressed interest so the EDA could see what types of projects they have done. He reminded the EDA that this location will require density and probably tax increment financing. He stated that the one homeowner may change their mind on their willingness to sell once official applications come in to develop the site.

Board member Kvale stated that the EDA just decided to conduct a survey for the former BP site and asked if there had been a survey discussed for EDA owned land in this area. She asked if that question could be combined into the survey for the BP site.

The EDA supported the idea of putting together a survey to see what the community would like to see happen on the Virginia Avenue site.

Board member Skjaret noted that something high density will need to go into this site because the City either needs to raise its tax base or raise its taxes. He stated that the business community is on life support and many are sites vacant.

Board member Kvale stated that she disagrees with this conclusion and does not think the City is on life support or has a dire need for high density development.

Board member Skjaret indicated that he believes the City needs to get ahead of things and manage the density that will come into the City or Long Lake could run the risk of getting absorbed by another jurisdiction. He stated that he feels the Virginia Avenue property is prime real estate for high density housing.

The EDA discussed the history of the properties in this area, TIF districts, and marketplace/affordable housing.

Board member Goodsell asked if there was a way to put together some numbers to find out how much the City would have to build its tax base to make Long Lake a survivable community and not be on "life support". She explained that she would also like to see these numbers take into account the new five large homes that are going in, as well as one of the developments proposed for this property to see where that brings the numbers.

Weske stated that the 2018 audit will be completed shortly and the City will begin working on its long-term financial plan, which will include tax rates and payment management. He stated that he believes the numbers will end up being a little “scary” when they come in.

Update Regarding Status of the Business District Initiative (BDI) Grant Application

Chair Dyvik stated that he had spoken with Nathan at the BDI grant office and their recommendation was to prioritize other cities in front of Long Lake. He stated that the awards should be given out soon and he has asked Nathan to let him know where the City had not met the necessary criteria in order to be prioritized for this grant money.

OTHER BUSINESS

None.

ADJOURN

A motion was made by Board member Jerde, seconded by Board member Kvale, to adjourn the meeting at 6:24 pm. Ayes: all.

Respectfully submitted,
Scott Weske, Executive Director